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MORE INDIVIDUALS ASSOCIATED WITH TAX REFUND SCHEME INDICTED

FRESNO--United States Attorney John K. Vincent announced today that BALDEMAR RODRIGUEZ TORRES, 38, of Selma, JAVIER RODRIGUEZ, 35, of Selma, and ANTONIO LEON TORRES, 23, of Independence, Oregon, were indicted by a federal grand jury in Fresno on conspiracy to defraud the United States by submitting false tax returns. This indictment is part of an ongoing investigation into an illegal tax refund scheme allegedly operating in the Central Valley.

According to the Indictment, the defendants were part of a group of numerous individuals that executed a tax refund scheme using false Forms W-2 that set forth wages and withholding that would make the taxpayer eligible for a tax refund. The defendants also allegedly used false Forms W-2 to attach to Individual Income Tax returns that made the taxpayer eligible for Earned Income Credit. These tax returns were filed electronically or by mail to the Internal Revenue Service. Hundreds of tax returns using this false information were filed with the Internal Revenue Service under hundreds of names.

The indictment alleges that once tax refund checks arrived at various post office boxes and residences throughout the Central Valley, the defendants would have the alleged taxpayers endorse the checks, which they sometimes would also endorse, and cash the checks at various banks, businesses and residences in the Central Valley. The defendants would then use the cash to purchase items such as homes, cars and property.

As a result of the scheme, over \$13.3 million in false claims for refunds have been submitted to the Internal Revenue Service, and to date, the government has paid out over \$3 million to the defendants and others.

The defendants face up to 10 years in prison and a fine of \$250,000 each if convicted.

The charges are only allegations and the defendants are presumed innocent until and unless proven guilty beyond a reasonable doubt.

The case is being prosecuted by Assistant United States Attorneys Mark E. Cullers, Jonathan Conklin and Sheila K. Oberto and was investigated by the Criminal Investigation Division of the Internal Revenue Service.

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